

LOGISTICS MARKET MUNICH

AT A GLANCE
Q2 2023

169,000 m²
TAKE-UP

+59 %
H1 2023 vs. H1 2022

+43 %
IN COMPARISON TO
10-YEAR AVERAGE

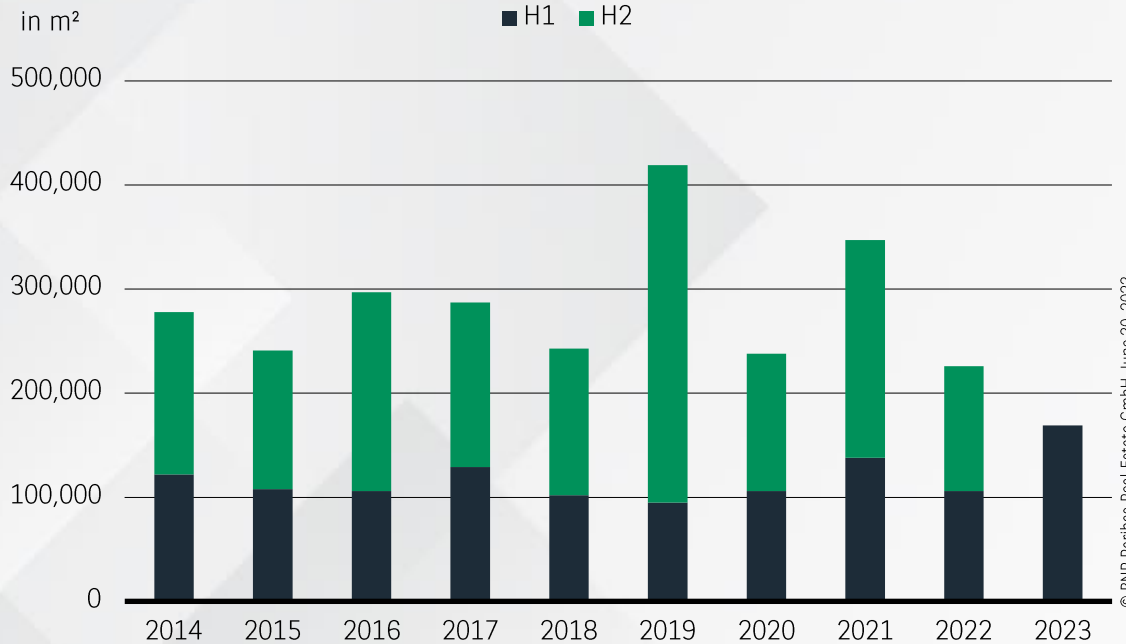


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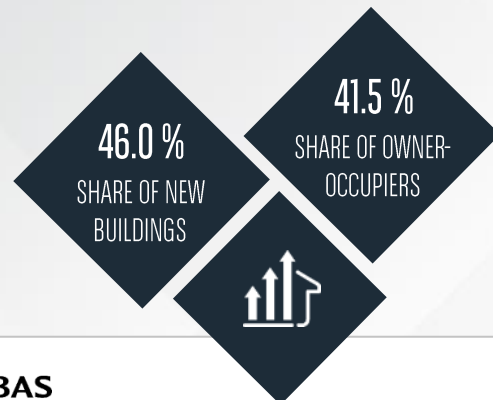
Real Estate for a changing world

RECORD RESULT DUE TO LARGE DEALS

LIGHT INDUSTRIAL AND LOGISTICS TAKE-UP IN MUNICH



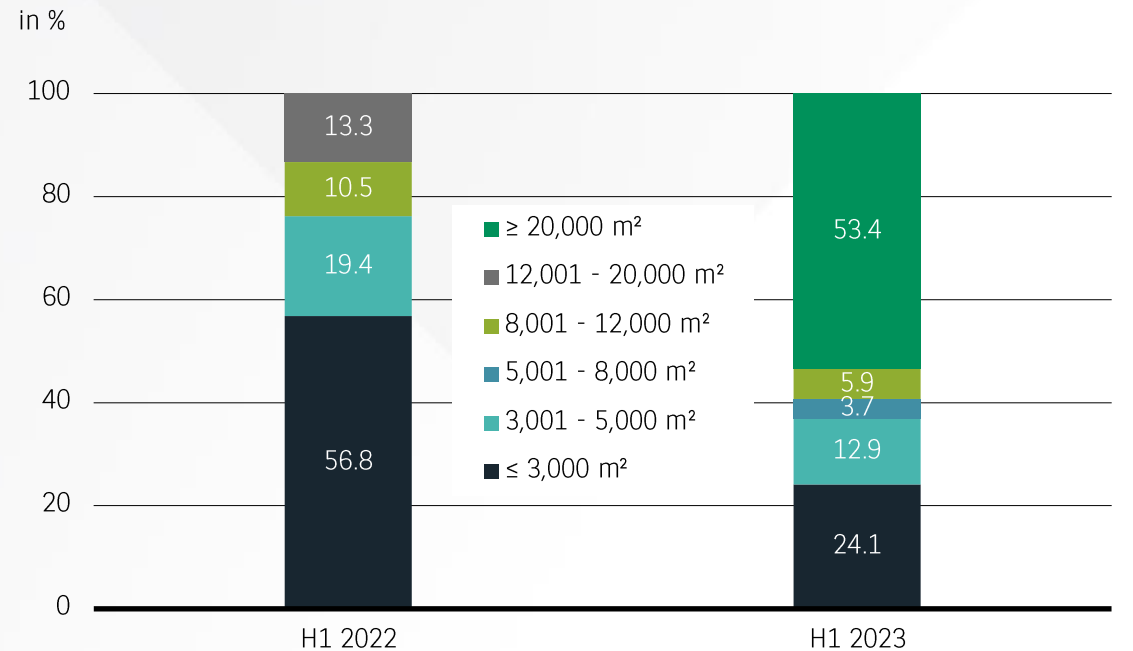
- The Munich warehouse and logistics market achieved a take-up of 169,000 m² in the first half of the year, setting a record. This result is 59 % above the previous year's figure and around 43 % above the ten-year average. In a nationwide comparison, Munich is therefore well ahead and among the few top markets that were able to achieve an above-average result.
- This exceptional result in economically challenging times was primarily achieved by two major deals that are unusual for the Munich market. These include Siemens Mobility, which let a further 30,000 m² at its corporate location in Munich-Allach.
- Rents continue to rise noticeably, primarily because of the supply shortage that continues to dominate the market. Over the past twelve months, the prime rent has risen by almost 19 % to 9.50 €/m² and the average rent by 17 % to 7.50 €/m². Munich thus remains the undisputed most expensive German logistics market.



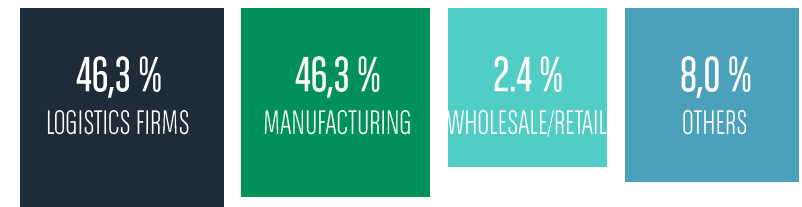
LOGISTICS FIRMS AND MANUFACTURING CLEARLY IN THE LEAD

- More than half of take-up to date has been achieved with large-scale deals over 20,000 m² (53 %). In addition, however, a lively dynamic was also observed in the smaller segments of up to 5,000 m², which are as well above their ten-year average in absolute terms. By contrast, the lack of available space this half-year is primarily reflected in the low take-up between 5,000 and 20,000 m².
- In terms of sector distribution, logistics firms, with 46 %, can move ahead of the manufacturing companies, which generally lead the field in Munich, following close behind with 43 %. Both categories thus achieve clearly above-average results. As nationwide, wholesale/retail companies have so far been underrepresented and contribute only 2 % with a few small-scale contracts.
- The proportion of owner-occupiers is exceptionally high at almost 42 %, alongside the proportion of new builds, which at 46 % is equally well above the average.

TAKE-UP BY SIZE CATEGORY



TAKE-UP BY SECTOR



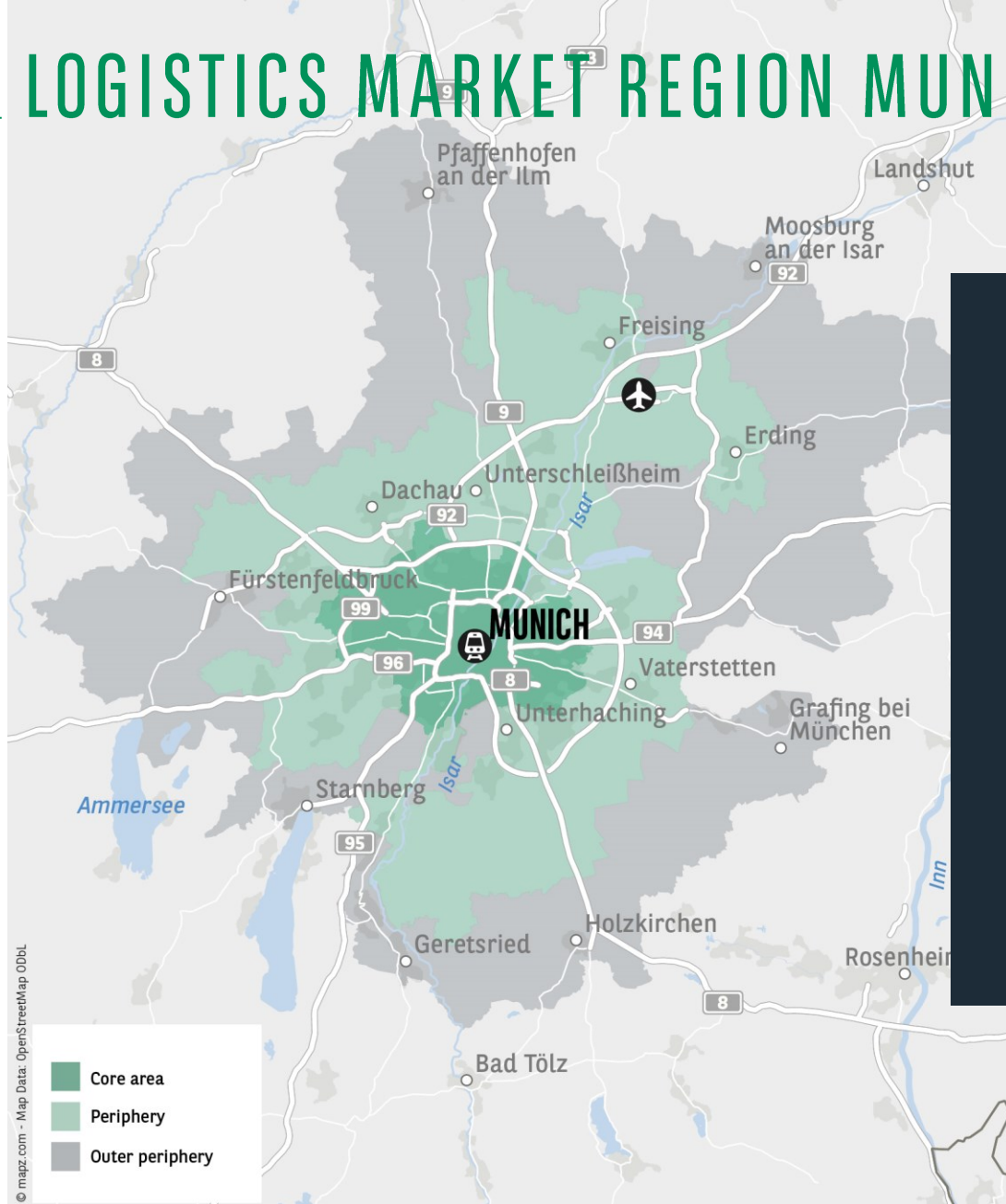
KEY FIGURES

Rents	H1 2022	H1 2023	%-Difference
Prime rent (in €/m ²)	8.00	9.50	18.8%
Average rent (in €/m ²)	6.40	7.50	17.2%
Take-up and sectors	H1 2022	H1 2023	Long-term average
Total take-up	106,000 m ²	169,000 m ²	118,000 m ²
Logistics firms	26.3%	46.3%	32.2%
Wholesale/retail	14.0%	2.4%	21.8%
Manufacturing	49.9%	43.3%	36.1%
Others	9.8%	8.0%	9.9%
Size categories	H1 2022	H1 2023	Long-term average
Share of deals > 20,000 m ²	0.0%	53.4%	8.5%
Share of deals ≤ 20,000 m ²	100.0%	46.6%	91.6%
Owner-occupiers/new building share	H1 2022	H1 2023	Long-term average
Share of owner-occupiers	13.3%	41.5%	14.2%
Share of new buildings	26.0%	46.0%	28.9%

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- The Munich market benefited from two major deals in the first half of the year, generating very high take-up. Although demand has weakened slightly in quantitative terms because of the difficult economic conditions, nevertheless there is still a clear surplus of demand throughout the market.
- On the supply side, there is still a shortage of adequate space in almost all size categories. Due to the low availability of space and the low level of (speculative) construction activity, there are no indications of any change in this regard in the short to medium term.
- Against this backdrop, the trend toward letting extensions is continuing. In this context, it is apparent that some occupiers are remaining in the property despite their intention to move and are also accepting significantly higher rents - in some cases even above the prime rent. A further increase in rental prices must therefore be assumed due to higher construction costs and ESG requirements.

LOGISTICS MARKET REGION MUNICH



MAJOR CONTRACTS

30,000 m²
Siemens Mobility
Munich

10,000 m²
Yaskawa
Allershausen

6,200 m²
Flaschenpost
Munich

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